

## Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 247189

64  
ORIGIN COME-00

INFO OCT-01 CIAE-00 DODE-00 EB-07 NRC-05 NSAE-00 TRSE-00

EUR-12 ERDA-05 ISO-00 EA-07 ACDA-05 /042 R

DRAFTED BY COM/OEA/RHMEYER:JAM  
APPROVED BY EB/ITP/EWT/RWRIGHT  
COM/BEWT/HHEISS  
EUR/SOV/SPOLANSKY  
ERDA/EPB/JKRATZ  
EUR/SOV/JLCOLBERT

----- 023213

P 171841Z OCT 75  
FM SECSTATE WASHDC  
TO AMEMBASSY MOSCOW PRIORITY

LIMITED OFFICIAL USE STATE 247189

EXCON

E.O. 11652: N/A

1) SUMMARY: CONTROLS ON EXPORTS OF NUMERICAL CONTROL  
MACHINE TOOLS ARE UNDER USG REVIEW IN CONNECTION WITH COCOM  
LIST REVIEW AND WITH COMMERCE (BEWT/OEA) LICENSING POLICY.  
SOVIET STATE OF THE ART IN THIS COMMODITY FIELD IS AN  
IMPORTANT CONSIDERATION IN THE REVIEW SINCE AS A MATTER OF  
GENERAL POLICY, LICENSING DECISIONS AND THE LEVEL OF  
CONTROL SHOULD TO THE EXTENT PRACTICABLE AND CONSISTENT  
WITH NATIONAL SECURITY REFLECT FOREIGN AVAILABILITY OF  
CONTROLLED ITEMS. RELIABLE INFORMATION ESSENTIAL TO A  
USEFUL JUDGMENT ON FOREIGN AVAILABILITY IS INADEQUATE, AND  
A VISIT BY USG TECHNICIANS TO VERIFY REPORTS BY US COMPANY  
REPRESENTATIVES OF SOVIET CAPABILITIES IN THE NC MACHINE  
TOOL AREA COULD ADD TO THE DATA BASE AND ELIMINATE  
UNCERTAINTIES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 247189

WITH THIS IN MIND, DISCUSSIONS HAVE BEEN ONGOING SINCE LAST

SUMMER BETWEEN SATRA CORPORATION AND THE POLICY DEPARTMENT OF THE MINISTRY OF FOREIGN TRADE CONCERNING A PROPOSED VISIT BY A TEAM OF USG AND INDUSTRY NUMERICAL CONTROL (NC) MACHINE TOOL EXPERTS TO THE SU FOR THE PURPOSE OF VISITING USSR NC MACHINE TOOL PRODUCTION FACILITIES TO ASSESS THEIR CAPABILITIES IN THIS AREA. SATRA HAS NOW REPORTED TO THE USG THAT SOVIETS APPEAR AGREEABLE TO THE VISIT BUT PREFER THAT A REQUEST BE MADE THROUGH OFFICIAL USG CHANNELS RATHER THAN A PRIVATE PARTY (SATRA). COMMERCE WOULD, THEREFORE, APPRECIATE EMBASSY APPROACH TO CHIEF OF POLICY DEPARTMENT, ZINOVIEV, MINISTRY OF FOREIGN TRADE, PROPOSING VISIT OF USG NC MACHINE TOOL TEAM TO VISIT FACILITIES SET FORTH BELOW AND SEEKING HIS ENDORSEMENT AND HIS ASSISTANCE IN ARRANGING VISIT.

2) BACKGROUND: IN MARCH 1975, US MACHINE TOOL COMPANY, GIDDINGS AND LEWIS (G&L), REPORTED TO USG THAT THEY HAD SEEN SOVIET-BUILT NC EQUIPMENT OF THE TYPE NOW EMBARGOED TO BLOC BY COCOM AT THE SVERDLOV WORKS IN LENINGRAD. G&L INDICATED THAT THEY THOUGHT THEY COULD ARRANGE A TRIP FOR USG PERSONNEL TO SEE FOR THEMSELVES THIS EVIDENCE OF SOVIET CAPABILITY. IN JULY 1975, TWO KEY ADVISORS IN USG ON NC MACHINE TOOL EXPORT CONTROL MATTERS TOLD G&L THEY WERE PREPARED TO GO TO USSR TO LOOK INTO WHAT G&L HAD EARLIER REPORTED. G&L CONTACTED THE SATRA CORPORATION, NYC, TO MAKE ARRANGEMENTS FOR THE TRIP. SUBSEQUENTLY, REPRESENTATIVES FROM THE US MACHINE TOOL INDUSTRY ORGANIZATION, NATIONAL MACHINE TOOL BUILDERS ASSOCIATION (NMTBA), WERE INVITED TO PARTICIPATE IN THE TRIP. CARL LONGLEY FROM THE SATRA CORPORATION FIRST APPROACHED THE RUSSIANS IN MOSCOW IN JULY 1975 REGARDING THIS TRIP. HE REPORTED THAT MALLINKOFF, DEPUTY OF POLICY DEPARTMENT, MINISTRY OF FOREIGN TRADE, WAS RECEPTIVE TO THE IDEA BUT WAS NOT SURE HOW THE TRIP SHOULD BE ARRANGED FROM PROCEDURAL STANDPOINT; I.E., UNDER FORMAL EXCHANGE ARRANGEMENTS OR UNOFFICIAL PRIVATE VISIT. IN AUGUST, LONGLEY REPORTED THESE FACTS TO USG; AND USG INDICATED THAT UPON LONGLEY'S RETURN TO MOSCOW IN LATE SEPTEMBER, HE SHOULD TRY TO NEGOTIATE PRIVATELY ARRANGED, UNOFFICIAL USG/INDUSTRY VISIT UNDER AUSPICES OF NMTBA.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 247189

3) INFORMATION RECEIVED LAST WEEK FROM LONGLEY VIA SATRA IS THAT SOVIETS (REPORTEDLY ZINOVIEV) AGREEABLE TO (1) A VISIT PRIOR TO MID-NOVEMBER AND (2) THE INDUSTRY-GOVERNMENT COMPOSITION OF TEAM, BUT WANT VISIT TO BE REQUESTED FORMALLY THROUGH USG CHANNELS AND NOT PRIVATELY ARRANGED BY SATRA. SATRA ALSO SUGGESTED THE USG RAISE MATTER WITH ZINOVIEV, CHIEF OF POLICY DEPARTMENT,

MINISTRY OF FOREIGN TRADE, DURING HIS RECENT VISIT TO US.  
THIS WAS DONE ON INFORMAL BASIS BY RAUER MEYER, DIRECTOR,  
OFFICE OF EXPORT ADMINISTRATION. WHEN APPROACHED,  
ZINOVIEV, MUCH TO USG SURPRISE, INDICATED HE HAD NO  
KNOWLEDGE OF PROPOSED VISIT. WHEN THIS INFORMATION WAS  
TOLD TO SATRA, THEY INDICATED THAT ALL OF LONGLEY'S  
DISCUSSIONS HAD BEEN WITH MALLINKOFF; BUT THEY WERE SURE  
THAT ZINOVIEV KNEW OF PROPOSED VISIT. CIRCUMSTANCES DID

OT PERMIT CONCLUSIVE MEYER-ZINOVIEV DISCUSSION, BUT  
ATTER EXPRESSED HIS UNDERSTANDING OF THE PURPOSE OF THE  
TRIP AND INDICATED THAT ON HIS RETURN TO MOSCOW HE WOULD  
RAISE MATTER WITH MALLINKOFF.

4) IN LIGHT OF FOREGOING, UNLESS EMBASSY HAS OBJECTION,  
IT IS REQUESTED TO APPROACH MFT ON BEHALF OF COMMERCE  
(BEWT) TO DETERMINE IF SOVIETS STILL  
AMENDABLE, AND TO ESTABLISH ACCESSIBILITY OF FACILITIES  
OF INTEREST TO TEAM. EMBASSY MAY DRAW ON THE FIRST  
PARAGRAPH (ELIMINATING REFERENCE TO COCOM) AND REMAINING  
SUBSTANCE OF THIS MESSAGE AS APPROPRIATE.

5) PROPOSED COMPOSITION OF TEAM IS AS FOLLOWS, WITH  
POSSIBLE ADDITION OF DEPARTMENT OF DEFENSE TECHNICIAN.

-- MR. JEREMIAH F. KRATZ  
-- EXPORT POLICY BRANCH  
-- U.S. ENERGY RESEARCH AND DEVELOPMENT  
-- ADMINISTRATION (ERDA)  
-- --HEAD OF TEAM

-- DR. RONALD V. MISKELL, SUPERINTENDENT  
-- NC ENGINEERING DIVISION  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 247189

-- UNION CARBIDE CORPORATION  
-- --ERDA CONTRACT EMPLOYEE  
  
-- MR. JAMES COLE  
-- OFFICE OF EXPORT ADMINISTRATION  
-- BUREAU OF EAST-WEST TRADE  
-- DEPARTMENT OF COMMERCE  
  
-- MR. JAMES GRAY, EXECUTIVE OFFICER  
-- NMTBA  
  
-- MR. EDWARD LOEFFLER, TECHNICAL ADVISOR  
-- NMTBA  
  
-- MR. WILLIAM RITTER, VICE PRESIDENT

-- INTERNATIONAL SALES  
-- GIDDINGS AND LEWIS

6) THE FACILITIES THE TEAM WISHES TO VISIT (AND WHICH SATRA WAS TO HAVE GIVEN THE SOVIETS) ARE AS FOLLOWS:

NAME OF PLANT	LOCATION
1. SVERDLOV MACHINE TOOL PLANT	LENINGRAD
2. LENINGRAD ELECTRO-MECHANICAL PLANT	LENINGRAD
3. ENIMS - EXPERIMENTAL SCIENTIFIC RESEARCH INSTITUTE OF METAL CUTTING MACHINE TOOLS	MOSCOW
4. STANKOCONSTRUCTIA PLANT	MOSCOW
5. LVOV MILLING MACHINE WORKS	LVOV
6. ODESSA PRECISION MACHINE TOOL PLANT	ODESSA
7. TOMSK MATHEMATICAL MACHINE WORKS	TOMSK
8. SAVELOVO MACHINE TOOL PLANT	SAVELOVO

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 247189

7) IN TERMS OF TIMING, IT IS DESIRABLE THAT VISIT BE ARRANGED FOR END OF OCTOBER OR BEGINNING OF NOVEMBER. USG MEMBERS OF TEAM (KRATZ AND MISKELL) ARE REQUIRED TO BE IN PARIS NLT NOVEMBER 17, 1975.

8) ADVISE AS SOON AS POSSIBLE OF SOVIET RESPONSE TO PROPOSAL.

9) IN EVENT SOVIETS RAISE QUESTION OF RECIPROCITY UNDERSTAND NMTBA WOULD BE PREPARED IN PRINCIPLE TO HOST A SOVIET DELEGATION RETURN VISIT. INGERSOLL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** MACHINE TOOL INDUSTRY, STRATEGIC TRADE CONTROLS, EXCEPTIONS LIST, VISITS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GarlanWA  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975STATE247189  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** JAM  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750361-0370  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19751046/aaaabowc.tel  
**Line Count:** 212  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ORIGIN COME  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GarlanWA  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 May 2003 by GarlanWA>; APPROVED <28 MAY 2003 by GarlanWA>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** TANCE OF THIS MESSAGE AS APPROPRIATE. 5) PROPOSED COMPOSITION OF TEAM IS AS FOLLOWS, WITH  
**TAGS:** ESTC  
**To:** MOSCOW  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006